



**NATIONAL
FARMERS
UNION**

April 9, 2003

Country of Origin Labeling Program
Agricultural Marketing Service
USDA STOP 0249
Room 2092-S
1400 Independence Avenue, SW
Washington, DC 20250-0249

RE: Docket Number LS-02-13

Dear Sir:

On behalf of the nearly 300,000 family farm and ranch members of the National Farmers Union (NFU), I am pleased to respond to the Federal Register (Volume 67, Number 198, pages 63367-63375) notice and request for comment on guidelines for implementation of voluntary country-of-origin labeling dated October 11, 2002.

The NFU has long supported mandatory country-of-origin labeling (COOL) of agricultural commodities and products as a way to provide consumers with the knowledge to make more informed choices about the products they purchase and to serve as a beneficial marketing tool for U.S. producers. We believe the guidelines developed to implement voluntary country-of-origin labeling are important as a means to test and gain practical experience as the regulations necessary to implement mandatory country-of-origin labeling requirements in 2004 as prescribed by the Farm Security and Rural Investment Act of 2002 (FSRIA). We are under no illusion that a voluntary system will in any way provide the consumer or producer benefits that can be generated by mandatory labeling.

The FSRIA is quite clear in defining the commodities for which COOL is to apply as well as identifying general consumer notification information, audit verification system requirements and enforcement provisions. The law specifically prohibits a mandatory identification system and instead encourages the use of existing programs that require country-of-origin certification as a model for program implementation.

We believe the voluntary program guidelines should expand upon current programs without creating a costly new regulatory burden on producers or other food product sectors. To the extent existing record keeping systems and import information can be utilized and tailored to meet the COOL requirements for consumer notification, the less costly and more efficient the labeling system will be for all parties.

The NFU encourages USDA/AMS to pay particular attention to the certification systems in place regarding the national school lunch program and the current market access program both of which mandate the use of U.S. products.

It was clearly not the intent of Congress that the full burden of compliance and verification be placed upon the American producer. It must be remembered that not every agriculture producer in the U.S. produces commodities that require labeling. Additionally, the vast majority of livestock and crop producers are fully engaged in the exclusive production of U.S. origin commodities and do not import any livestock or crop products that would subject their operation to any form of foreign origin verification. As long as these operations continue a "domestic only" production system, they should be able to self-certify their commodities as United States country-of-origin when they market their products.

If they produce commodities that are of both U.S. and/or foreign origin, then they should be required to establish an appropriate record keeping system that ensures the capacity of the producer to certify the country-of-origin for each product to the first purchaser. Those who produce enumerated commodities that do not fit the U.S. country-of-origin standard for all their production could be required to obtain an import license or purchase the products from a commodity broker or other individual who was a licensed importer. The importer could then be required to file the name of the purchaser and other necessary information with an appropriate authority. Such a system would provide information concerning those who are engaged in production of foreign origin commodities in either a mixed production system or as producers of solely imported livestock or crops. This information could be used to aid in the segregation purely domestic origin producers from those who would be required to maintain and provide a higher level of country-of-origin verification to the purchaser of their commodity.

We believe that USDA/APHIS health certificates, USDA/FSIS labeling and identification requirements and the import information gathered by the U.S. Customs Service can be coordinated and utilized to identify the country-of-origin and establish an audit trail for imported commodities if the certification is required to follow the products from our border through to the point of retail sale. Certificates could be developed that would allow the addition of new information by each purchaser of the commodities and could be duplicated when an imported lot or herd is divided or further processed achieving a complete audit trail. As an alternative, an end-use certification system could be implemented that would track commodities and the products from those commodities through to the retail level, that would be the basis for the required consumer information.

The National Farmers Union believes the voluntary country-of-origin guidelines can serve as a useful trial for the development of regulations to implement mandatory country-of-origin labeling. Furthermore, we believe an effective audit verification system can be developed by modestly expanding the information gathered through existing programs and

ensuring the information follows the covered commodity through the production and processing systems to the final retail consumer.

Thank you for the opportunity to respond to this request for comment on the implementation of the voluntary country-of-origin program.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Frederickson". The signature is fluid and cursive, with a large initial "D" and "F".

David J. Frederickson
President